

PRICE TAGS

Issue 9

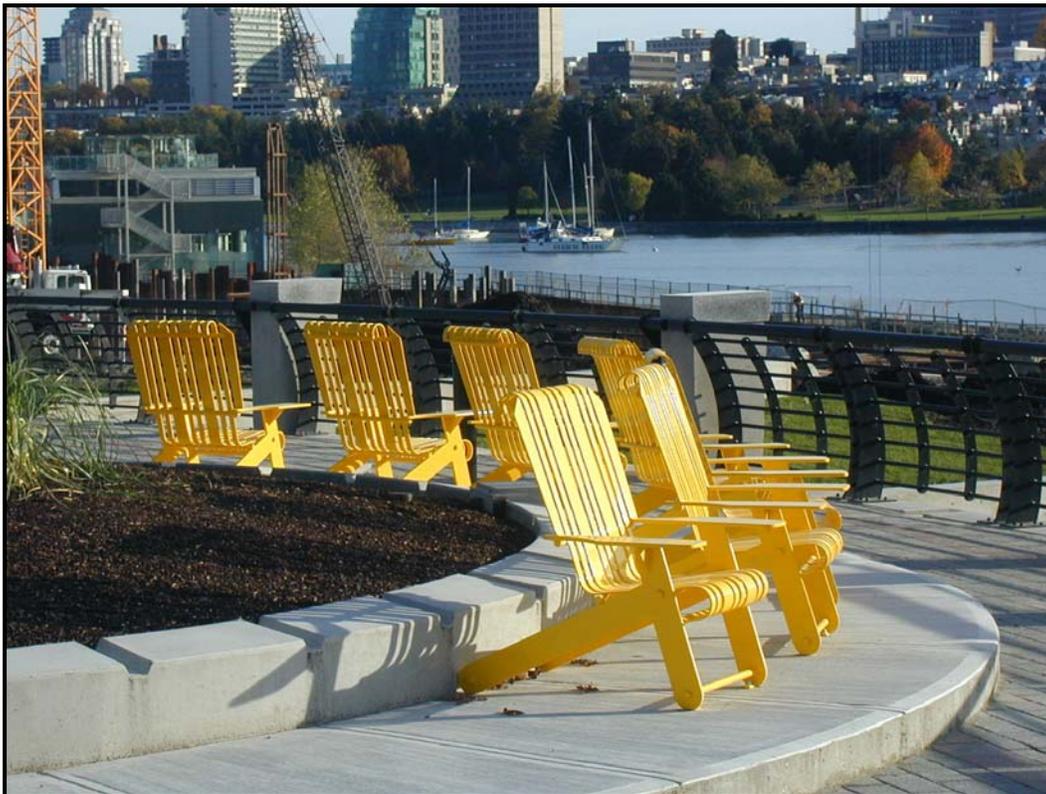
October 24, 2003

The Peeties

I've been looking for a way to acknowledge those additions to our urban environment that make Vancouver a better place to live and a happier experience. Hence the *Peety*. (PT, get it?)

The first recipients are the Park Board and PWL Consultants for those wonderful yellow chairs in George Wainborn Park.

Says Jim Lowden of the Park Board: "These chairs were a joint decision by Jeff Philips – PWL Consultants – and myself to reflect George Wainborn's Mayne Island farm lifestyle. We felt that this best represented George in his latter years and his life of simple land-related pleasures."



West End Redux

In Issue 7, I wondered what was happening to the West End now that almost every building has a vacancy sign out front. A realtor friend thought this might be a sign of decay, but housing consultant **Dale McClanaghan** says not to worry

It seems our rental shortage is so chronic, for so long, that suppliers forget that market prices can go down and they could, oh the horror, have to compete for tenants.

This is the way the housing market is supposed to work – providing more supply at points on the "affordability continuum." Currently that is the condo product.

As renters move from rental units to ownership units, there is a moderate reduction in demand for the rental sector. Supply of rental units has also been augmented by ... investor-owned condos. (I recall that about 30 to 40% of new condo product finds its way into the rental pool).

In Toronto the same phenomena has led to increased vacancies and a discounting of rental prices. (The first sign of reduction is "soft discounts" like free cable, one month's free rent, followed by increased amenity through building upgrades, and lastly by rent reductions.)

With regard to apocalyptic consequences of higher vacancy rates and moderate downward pressure on rental rates, don't worry about it! We have a vacancy rate of around 4% versus 0.7%. A normal market should be at 2%, which we haven't seen in decades.

Moreover, the rational owner will resort to improving the building appearance and competing for tenants, not under-investing. Currently, apartment buildings are selling at about 20 times net cash flow, or a cap rate of 5%. This reflects investor estimate that these are very secure assets with good prospects. It would not be so if building neglect was in the offing!

In summary, downward pressure on rents through increased supply may make complacent landlords uneasy, but is welcome good news to renters!

Straight Talk on the Straight

The Georgia Straight has succeeded in its overwrought case against the provincial government's threat to tax it as an advertising vehicle rather than a legitimate newspaper. But there is still a question to be asked: ***Why in fact is there so little editorial content in what appears to be a very lucrative publication?***

Compare the Straight to, say, the Seattle Weekly or Willamette Week in Portland - and note the difference in coverage, both of quality and kind. Not to mention the cheap and stodgy graphic design of the Straight.

Poor Charlie Smith at the Straight is expected to cover every aspect of municipal and regional politics within a few column inches. Rarely is there a feature story on issues that are the meat and potatoes of local papers elsewhere.

Vancouver deserves a lot better from its dailies, but when it comes to local coverage, the Straight is outright negligent.

Compare for yourself:

The logo for Seattle Weekly, featuring the words "SEATTLE WEEKLY" in a bold, black, sans-serif font. The letters "S" and "W" are significantly larger than the others. The text is underlined with a thick orange line.

<http://www.seattleweekly.com>



<http://www.sfweekly.com/>



<http://www.wweek.com/>



<http://www.straight.com/>

TAGS FROM OUR READERS

This is just too cool not to share.

Click on Live 2003 (300k if you can) and you may see some whales cavorting around Vancouver Island. If you subscribe (it's free), they'll send you an email alert telling you when the whales are in camera range. If you have speakers you can sometimes hear their calls.

www.orca-live.net

- Julie Bittner

Must-read of the week:



Meet the Space Gang

A high-tech presentation by a group of talented and energetic condo owners may forever change how downtown developers choose to encroach on others' views

Trevor Boddy

<http://www.canada.com/vancouver/vancouvernews/columnists/story.asp?id=C57BDAEE-9876-4AC7-B5F7-E0005BF5F6E1>

Our favourite quote:

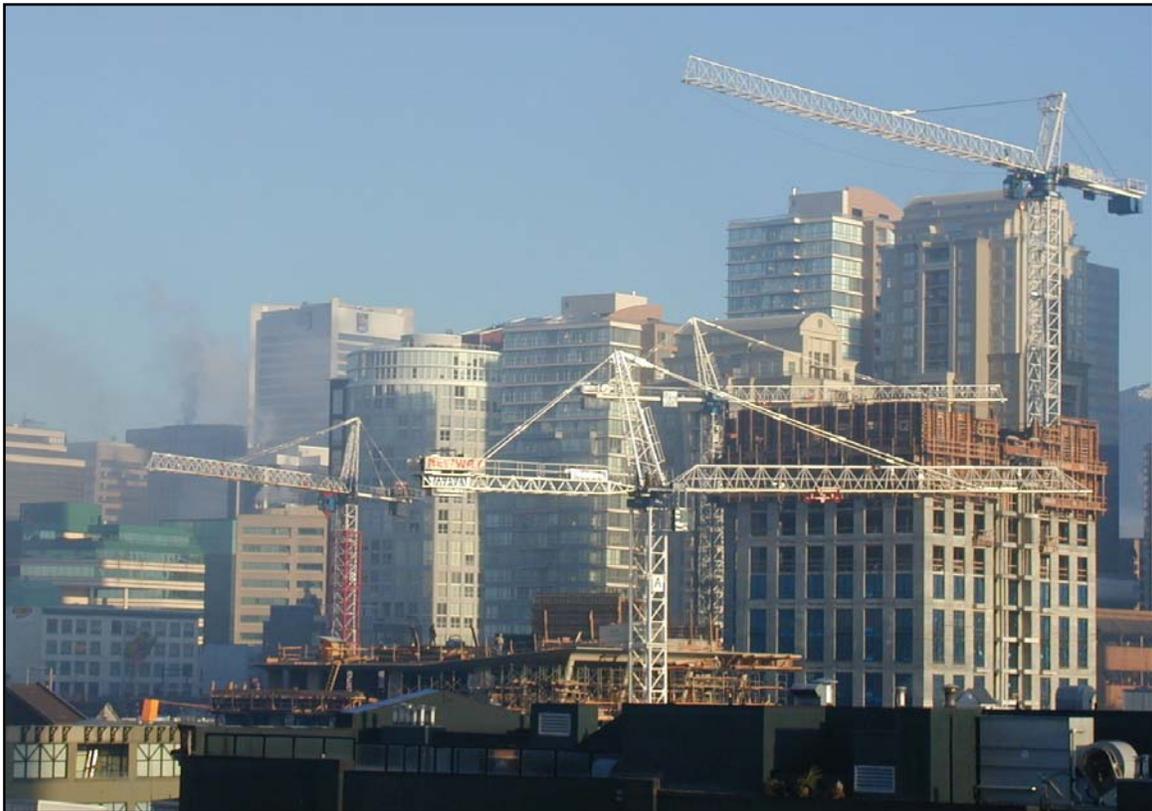
As our planners and former city councillors jet around the globe giving talks and taking credit, I am disturbed that a potentially dangerous complacency has set in, that Vancouver is so lionized by the international press that we risk squandering the very qualities that created the current wave of attention.

Hmm, I wonder whom he could be referring to ...

This is Trevor Boddy at his button-pushing, provocative best. But, as usual, he sacrifices nuance for metaphor. The effectiveness of the citizens in this case is a testament to the success of the development-permit process, and the decision to rethink the project should have been acknowledged as such.

Boddy also fails to acknowledge the complexity of the trade-offs involved. He's largely dismissive, for instance, of public view corridors and heritage preservation, while championing other values, public and private, that have to be weighed by the decision-makers. It's easy to make cheap shots when you're not making the trade-offs.

Still, it's great to see a vigorous discussion of urban design in the mainstream press. And Boddy is right that, at some point, it's necessary to review the zoning bylaws as a neighbourhood builds out.



QUOTE OF THE DAY

The New York Times
ON THE WEB

Fast Lane for President: 6 Nations, 6 Days, Safely

By DAVID E. SANGER

Past presidents have taken in the restaurants of Sydney or the wonders of the country. Not Mr. Bush: He cut the trip down to a visit to Canberra, ***a capital that is a bit like Ottawa but not quite as vibrant.***

Okay, so maybe Canberra doesn't quite make it in the Vibrant-City Sweepstakes. Try New Zealand. But before you go, first check out:



<http://www.bigcities.govt.nz/sitemap.htm>

IN NEW ZEALAND'S EIGHT LARGEST CITIES

The Quality of Life 2003 report is a snapshot of life in urban New Zealand organized under 56 key quality of life indicators. Across the eight cities, 89 per cent of residents think their quality of life is extremely good or good.

But it warns that life may not be as sweet for future generations unless there is planning for long-term city growth, environmental problems are addressed, alternatives to private cars are increased, sustainable employment is created and youth are encouraged to participate in education and training.

Sound familiar? (Thanks to Susan Anderson for the link.)

Extreme Predictions

What is Canada's fastest growing technology company? Located in Burnaby, Extreme CCTV reported an immense growth in revenues of over 12,000 % from 1998 to 2002. It specializes in "advanced infrared illuminators and precision-engineered video surveillance products" – in other words, cameras that can see at night.

Most media stories neglected to mention the use of Extreme CCTV's cameras in London's congestion-charging scheme. Paris just announced it may follow London's example, and so may others in Europe. But so far, it's not likely that cities in North America will voluntarily adopt tolls.

At some point, however, Homeland Security in the U.S. (which already has a contract with Extreme for prisons) is going to get interested in the idea of monitoring traffic. Add two other factors into mix - the realization that there isn't enough money to maintain the highway system, and, secondly, the need for real-time management of traffic flow - and Big-Brother qualms may be rationalized by the appeal of the cash flow and congestion relief.

In other words, congestion charging may come to North America in the guise of security. In B.C., for instance, Olympic organizers could introduce cameras for reasons of security and traffic management – just about the time that TransLink will be looking for another \$80 million to fund its 10-year Plan. (That's after planning for a 6 percent increase in transit fares, a 2.5 percent increase in property taxes, a 14 percent increase in parking taxes, and even after assuming \$130 million in a gas-tax transfer from the Feds.) Compared to the alternatives, congestion-charging may look good.

TAGS FROM OUR READERS

This has the potential in this to change cities and everything else!!!

**** Computing net promises vast power ****

A global network of supercomputers promises to revolutionise not just the way we use the internet, but computing itself.

<http://news.bbc.co.uk/go/em/fr/-/1/hi/technology/3162628.stm>

- Ray Spaxman